

So Ordered.

Dated: November 15, 2022



Katherine M. Perhach

Katherine Maloney Perhach
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

In re:
ACRDGROUP LLC,
Debtor.

Chapter 11
Case No. 22-24848-kmp

ORDER DISMISSING CASE

The Debtor filed a Chapter 11 petition on October 31, 2022. On November 1, 2022, the Court entered an Order to Show Cause Why Case Should Not Be Dismissed for Failure to File a List of Creditors. Docket No. 4. The order provided that

on or before November 7, 2022, the debtor must file the matrix and show cause in writing why this case should not be dismissed for failure to comply with the minimum filing requirements under the Bankruptcy Code and Rules. “Cause” for purposes of this order requires a showing that the debtor’s failure to file the matrix with the petition was the result of excusable neglect. See Fed. R. Bankr. P. 9006(b)(1).

IT IS FURTHER ORDERED that unless the debtor files the matrix by November 7, 2022, and shows cause in writing why the matrix was not filed with the petition, this case may be dismissed on or after November 8, 2022, without further notice or hearing. . .

Id. (emphasis omitted). No matrix has been filed. Nicholas Rezny, a member of the Debtor, filed a narrative described as “a list of the debts I am able to report right now without threat to my own personal liberty and safety,” stating that he did not have access to his full debt list and further stating, “I INVOKE MY 5TH AMENDMENT RIGHTS in order to not divulge the names of my friends, family, and friends of friends who gave me the loans to build my company, and once these unhinged deranged anti-American ‘public servants’ are arrested and it is verified I shall not be prosecuted for entering into civil contract loans, then shall I provide the names of the rest of my debtors.” Docket No. 15. The Court does not recognize this document as a matrix, that is, “a list containing the name and address of each entity included or to be included on

Schedules D, E/F, G, and H as prescribed by the Official Forms.” Fed. R. Bankr. P. 1007(a). Nor does the Court find that Mr. Rezny has shown that the Debtor’s failure to file the matrix with the petition was the result of excusable neglect.

On November 4, 2022, the Court entered an Order to Show Cause Why Case Should Not Be Dismissed. Docket No. 10. Pursuant to the Order, “the Debtor must either (1) obtain an attorney admitted to practice before the United States District Court for the Eastern District of Wisconsin and that attorney must file a notice of appearance on behalf of the Debtor; or (2) the Debtor must show cause in writing as to why the case should not be dismissed based on the Debtor’s failure to appear through counsel.” *Id.* The order further stated that if the Debtor failed to comply on or before November 14, 2022, the Court would dismiss the case without further notice or hearing.¹

On November 8, 2022, the United States Trustee filed a Motion to Dismiss this case based on the Debtor’s unexcused failure to file a list of creditors with the petition, failure to comply with the order directing that the creditor matrix be filed on or before November 7, 2022, and failure to appear through counsel. Docket No. 16. A hearing is scheduled for December 7, 2022, and any objection to the motion must be filed before the hearing. Docket No. 17.

On November 14, 2022, Mr. Rezny filed a letter stating that he now understands that a limited liability company must be represented by counsel and requesting an additional 60 days to obtain an attorney. Docket No. 22. This request is denied. The Court notes that any extension beyond the deadline to object to the Motion to Dismiss would be ineffectual, since the Debtor would be required to appear through counsel if the Debtor opposes the Motion. Moreover, a Chapter 11 bankruptcy case simply cannot proceed without proper notice to and participation by creditors and parties in interest. Creditors have not even received notice that the case is pending since the Debtor has failed to comply with the Court’s order requiring the filing of the matrix on or before November 7, 2022. Accordingly,

IT IS THEREFORE ORDERED: this case is dismissed, effective immediately.

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¹ The Clerk’s Office and the Court noted other deficiencies with the Chapter 11 bankruptcy filing. *See* Docket No. 8, Notice to Debtor of Missing Corporate Ownership Statement; Docket No. 9, Order: Possible Future Dismissal of Case (based on the failure to file the List of Creditors Who Have the 20 Largest Unsecured Claims and the Statement of Financial Affairs).